Consolidated Financial Statement

Consolidated Balance Sheets

	Previous fiscal year March 31, 2017	Current fiscal year March 31, 2018	Current fiscal year March 31, 2018
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Assets			
Current assets:			
Cash on hand and in banks	¥ 24,537	**¥ 46,539**	**$ 439,049**
Notes and accounts receivable - trade	20,175	**12,930**	**121,985**
Merchandise and finished goods	1,583	**1,102**	**10,399**
Work in progress	2,040	**1,349**	**12,733**
Raw materials and supplies	2,040	**1,616**	**15,250**
Work in progress for game software	30,150	**25,635**	**241,843**
Deferred tax assets	2,495	**3,201**	**30,201**
Other	2,478	**3,371**	**31,807**
Allowance for doubtful accounts	(21)	**(34)**	**(324)**
Total current assets	85,480	**95,712**	**902,948**
Fixed assets:			
Tangible fixed assets, net of accumulated depreciation			
Buildings and structures, net	11,004	**11,106**	**104,778**
Machinery and vehicles, net	16	**10**	**96**
Tools, fixtures and furniture, net	1,932	**1,840**	**17,365**
Equipment for amusement facilities, net	1,616	**1,565**	**14,765**
Land	5,234	**5,234**	**49,384**
Leased assets, net	835	**668**	**6,308**
Construction in progress	128	**371**	**3,505**
Total tangible fixed assets	20,768	**20,797**	**196,203**
Intangible assets	2,843	**725**	**6,842**
Investments and other assets			
Investments in securities	574	**625**	**5,899**
Claims in bankruptcy and reorganization	67	**19**	**185**
Lease deposits	3,920	**4,034**	**38,065**
Deferred tax assets	4,311	**2,782**	**26,246**
Other	1,003	**900**	**8,493**
Allowance for doubtful accounts	(72)	**(24)**	**(229)**
Total investments and other assets	9,804	**8,338**	**78,661**
Total fixed assets	33,417	**29,861**	**281,707**
Total assets	¥ 118,897	**¥ 125,573**	**$ 1,184,655**

Please refer to Notes to Consolidated Financial Statements and Independent Auditor's Report on our website at:
http://www.capcom.co.jp/ir/english/data/pdf/annual/2018/annual_2018_06.pdf

	Previous fiscal year March 31, 2017 Millions of yen	Current fiscal year March 31, 2018 Millions of yen	Current fiscal year March 31, 2018 Thousands of U.S. dollars
Liabilities			
Current liabilities:			
Notes and accounts payable - trade	¥ 2,288	¥ 2,625	$ 24,773
Electronically recorded monetary obligations	4,886	839	7,924
Short-term borrowings	9,323	1,473	13,898
Lease obligations	502	392	3,707
Accrued income taxes	1,580	4,453	42,017
Deferred tax liabilities	2,308	766	7,227
Accrued bonuses	2,263	2,866	27,046
Other	6,840	13,618	128,473
Total current liabilities	29,994	27,037	255,068
Long-term liabilities:			
Long-term borrowings	6,788	8,315	78,443
Lease obligations	399	329	3,104
Deferred tax liabilities	29	23	220
Liabilities for retirement benefits for employees	2,596	2,819	26,596
Asset retirement obligations	509	501	4,727
Other	805	1,127	10,636
Total long-term liabilities	11,128	13,115	123,728
Total liabilities	41,122	40,152	378,796
Net assets			
Shareholders' equity:			
Common stock	33,239	33,239	313,578
Capital surplus	21,328	21,328	201,216
Retained earnings	45,402	53,602	505,684
Treasury stock	(21,448)	(21,454)	(202,399)
Total shareholders' equity	78,521	86,716	818,079
Accumulated other comprehensive income:			
Net unrealized gain or loss on securities, net of tax	107	139	1,317
Cumulative translation adjustments	(541)	(1,142)	(10,779)
Accumulated adjustments for retirement benefits	(313)	(292)	(2,758)
Total accumulated other comprehensive income	(747)	(1,295)	(12,220)
Total net assets	77,774	85,421	805,858
Total liabilities and net assets	¥ 118,897	¥ 125,573	$ 1,184,655

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Consolidated Financial Statement

Consolidated Statements of Income

	Previous fiscal year April 1, 2016 to March 31, 2017	Current fiscal year April 1, 2017 to March 31, 2018	Current fiscal year April 1, 2017 to March 31, 2018
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Net sales	¥ 87,170	**¥ 94,515**	**$ 891,651**
Cost of sales	56,438	**59,895**	**565,048**
Gross profit	30,731	**34,619**	**326,602**
Selling, general and administrative expenses	17,080	**18,582**	**175,303**
Operating income	13,650	**16,037**	**151,299**
Non-operating income:			
Interest income	47	**58**	**553**
Dividend income	13	**14**	**135**
Other	130	**145**	**1,377**
Total	192	**219**	**2,066**
Non-operating expenses:			
Interest expense	141	**103**	**975**
Commission fees	44	**64**	**610**
Additionally paid retirement benefits	117	**112**	**1,062**
Office transfer expenses	63	**254**	**2,402**
Exchange losses, net	746	**407**	**3,848**
Other	141	**59**	**558**
Total	1,253	**1,002**	**9,458**
Ordinary income	12,589	**15,254**	**143,907**
Special losses:			
Loss on sales and/or disposal of fixed assets	99	**104**	**986**
Total	99	**104**	**986**
Net income before income taxes	12,489	**15,149**	**142,920**
Income taxes - current	1,832	**4,617**	**43,561**
Income taxes - deferred	1,777	**(405)**	**(3,825)**
Total	3,610	**4,212**	**39,735**
Net income	8,879	**10,937**	**103,184**
Net income attributable to owners of the parent	¥ 8,879	**¥ 10,937**	**$ 103,184**

Consolidated Statements of Comprehensive Income

	Previous fiscal year April 1, 2016 to March 31, 2017	Current fiscal year April 1, 2017 to March 31, 2018	Current fiscal year April 1, 2017 to March 31, 2018
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Net income	¥ 8,879	**¥ 10,937**	**$ 103,184**
Other comprehensive income			
Net unrealized gain or loss on securities, net of tax	105	**31**	**298**
Cumulative translation adjustments	(262)	**(601)**	**(5,672)**
Adjustments for retirement benefits	(38)	**21**	**201**
Total other comprehensive income	(196)	**(548)**	**(5,172)**
Comprehensive income	8,683	**10,389**	**98,011**
Comprehensive income attributable to:			
Owners of the parent	¥ 8,683	**¥ 10,389**	**$ 98,011**
Non-controlling interests	–	**–**	**–**

Please refer to Notes to Consolidated Financial Statements on our website at:
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Consolidated Statements of Changes in Net Assets

Previous fiscal year (April 1, 2016 to March 31, 2017) Millions of yen	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2016	¥ 33,239	¥ 21,328	¥ 39,297	¥ (18,145)	¥ 75,719
Changes of items during the fiscal year					
Cash dividends			(2,774)		(2,774)
Net income attributable to owners of the parent			8,879		8,879
Repurchase of treasury stock				(3,302)	(3,302)
Disposal of treasury stock					–
Net changes of items other than shareholders' equity					
Total changes of items during the fiscal year	–	–	6,104	(3,302)	2,802
Balance as of March 31, 2017	¥ 33,239	¥ 21,328	¥ 45,402	¥ (21,448)	¥ 78,521

Previous fiscal year (April 1, 2016 to March 31, 2017) Millions of yen	Accumulated other comprehensive income				Total net assets
	Net unrealized gain on securities, net of tax	Cumulative translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance as of April 1, 2016	¥ 2	¥ (278)	¥ (274)	¥ (550)	¥ 75,168
Changes of items during the fiscal year					
Cash dividends					(2,774)
Net income attributable to owners of the parent					8,879
Repurchase of treasury stock					(3,302)
Disposal of treasury stock					–
Net changes of items other than shareholders' equity	105	(262)	(38)	(196)	(196)
Total changes of items during the fiscal year	105	(262)	(38)	(196)	2,605
Balance as of March 31, 2017	¥ 107	¥ (541)	¥ (313)	¥ (747)	¥ 77,774

Current fiscal year (April 1, 2017 to March 31, 2018) Millions of yen	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2017	**¥ 33,239**	**¥ 21,328**	**¥ 45,402**	**¥ (21,448)**	**¥ 78,521**
Changes of items during the fiscal year					
Cash dividends			**(2,737)**		**(2,737)**
Net income attributable to owners of the parent			**10,937**		**10,937**
Repurchase of treasury stock				**(5)**	**(5)**
Disposal of treasury stock		**0**		**0**	**0**
Net changes of items other than shareholders' equity					
Total changes of items during the fiscal year	**–**	**0**	**8,200**	**(5)**	**8,194**
Balance as of March 31, 2018	**¥ 33,239**	**¥ 21,328**	**¥ 53,602**	**¥ (21,454)**	**¥ 86,716**

Current fiscal year (April 1, 2017 to March 31, 2018) Millions of yen	Accumulated other comprehensive income				Total net assets
	Net unrealized gain on securities, net of tax	Cumulative translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance as of April 1, 2017	**¥ 107**	**¥ (541)**	**¥ (313)**	**¥ (747)**	**¥ 77,774**
Changes of items during the fiscal year					
Cash dividends					**(2,737)**
Net income attributable to owners of the parent					**10,937**
Repurchase of treasury stock					**(5)**
Disposal of treasury stock					**0**
Net changes of items other than shareholders' equity	**31**	**(601)**	**21**	**(548)**	**(548)**
Total changes of items during the fiscal year	**31**	**(601)**	**21**	**(548)**	**7,646**
Balance as of March 31, 2018	**¥ 139**	**¥ (1,142)**	**¥ (292)**	**¥ (1,295)**	**¥ 85,421**

Current fiscal year (April 1, 2017 to March 31, 2018) Thousands of U.S. dollars	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2017	**$ 313,578**	**$ 201,216**	**$ 428,324**	**$ (202,345)**	**$ 740,772**
Changes of items during the fiscal year					
Cash dividends	**–**	**–**	**(25,823)**	**–**	**(25,823)**
Net income attributable to owners of the parent	**–**	**–**	**103,184**	**–**	**103,184**
Repurchase of treasury stock	**–**	**–**	**–**	**(54)**	**(54)**
Disposal of treasury stock	**–**	**0**	**–**	**0**	**1**
Net changes of items other than shareholders' equity					
Total changes of items during the fiscal year	**–**	**0**	**77,360**	**(53)**	**77,307**
Balance as of March 31, 2018	**$ 313,578**	**$ 201,216**	**$ 505,684**	**$ (202,399)**	**$ 818,079**

Current fiscal year (April 1, 2017 to March 31, 2018) Thousands of U.S. dollars	Accumulated other comprehensive income				Total net assets
	Net unrealized gain or loss on securities, net of tax	Cumulative translation adjustments	Accumulated adjustments for retirement benefits	Total accumulated other comprehensive income	
Balance as of April 1, 2017	**$ 1,018**	**$ (5,107)**	**$ (2,959)**	**$ (7,048)**	**$ 733,724**
Changes of items during the fiscal year					
Cash dividends					**(25,823)**
Net income attributable to owners of the parent					**103,184**
Repurchase of treasury stock					**(54)**
Disposal of treasury stock					**1**
Net changes of items other than shareholders' equity	**298**	**(5,672)**	**201**	**(5,172)**	**(5,172)**
Total changes of items during the fiscal year	**298**	**(5,672)**	**201**	**(5,172)**	**72,134**
Balance as of March 31, 2018	**$ 1,317**	**$ (10,779)**	**$ (2,758)**	**$ (12,220)**	**$ 805,858**

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Consolidated Statements of Cash Flows

	Previous fiscal year April 1, 2016 to March 31, 2017	Current fiscal year April 1, 2017 to March 31, 2018	Current fiscal year April 1, 2017 to March 31, 2018
	Millions of yen	Millions of yen	Thousands of U.S. dollars
Cash flows from operating activities:			
Net income before income taxes	¥ 12,489	¥ 15,149	$ 142,920
Depreciation and amortization	5,980	4,706	44,402
Decrease in allowance for doubtful accounts	(1)	(36)	(341)
Increase in accrued bonuses	186	604	5,702
Increase in liabilities for retirement benefits for employees	204	253	2,392
Interest and dividend income	(61)	(71)	(678)
Interest expense	141	103	975
Exchange losses, net	18	134	1,269
Loss on sales and/or disposal of fixed assets	99	104	986
Decrease (increase) in accounts receivable - trade	(10,393)	7,059	66,596
Decrease in inventories	158	1,588	14,983
Decrease (Increase) in work in progress for game software	(2,266)	4,069	38,394
(Decrease) Increase in notes and accounts payable - trade	2,280	(3,690)	(34,818)
Other	956	6,320	59,629
Subtotal	9,792	36,296	342,416
Interest and dividends received	62	73	692
Interest paid	(140)	(101)	(956)
Income taxes paid	(6,513)	(1,546)	(14,587)
Net cash provided by operating activities	3,200	34,721	327,564
Cash flows from investing activities:			
Payments into time deposits	(200)	–	–
Payment for acquisition of tangible fixed assets	(3,074)	(2,767)	(26,111)
Proceeds from sales of tangible fixed assets	5	0	9
Payment for acquisition of intangible assets	(253)	(150)	(1,416)
Payment for purchase of investments in securities	(13)	(13)	(130)
Payment for other investing activities	(222)	(259)	(2,450)
Proceeds from other investing activities	131	343	3,239
Net cash used in investing activities	(3,628)	(2,847)	(26,859)
Cash flows from financing activities:			
Net (decrease) increase in short-term borrowings	5,000	(5,000)	(47,169)
Repayments of long-term borrowings	(1,497)	(1,323)	(12,482)
Repayments of lease obligations	(535)	(509)	(4,807)
Payment for repurchase of treasury stock	(3,302)	(5)	(53)
Dividends paid by parent company	(2,794)	(2,738)	(25,837)
Net cash used in financing activities	(3,130)	(9,577)	(90,351)
Effect of exchange rate changes on cash and cash equivalents	(533)	(96)	(907)
Net (decrease) increase in cash and cash equivalents	(4,091)	22,201	209,445
Cash and cash equivalents at beginning of year	28,429	24,337	229,603
Cash and cash equivalents at end of year	¥ 24,337	¥ 46,539	$ 439,049

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